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ARIZONA CORPORATION COMMISSION

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MAR 21 2003

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AZ CORP COMMISSION
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IN THE MATTER OF THE APPLICATION OF
FORTY NINER WATER COMPANY OF AN
EMERGENCY RATE INCREASE.

Docket No. W-01777A-02-0547

AMENDED APPLICATION

Forty Niner Water Company, ("Forty Niner"), through undersigned counsel, hereby submits its Amended Application for the transfer of its assets and cancellation of its certificate of convenience and necessity ("CC&N"), as follows:

I. INTRODUCTION.

In early 2002, Forty Niner entered into an agreement to sell a portion of its assets to the City of Tucson ("Tucson"). On March 8, 2002, Forty Niner filed with the Arizona Corporation Commission ("Commission") an Application for the Approval of the Sale of Assets and/or Transfer of Certificate of Convenience and Necessity ("Application"). The Application sought approval for the sale of assets necessary to provide service to Forty Niner's residential customers and for a corresponding deletion to the CC&N. Since then, Forty Niner and Tucson have entered into a new agreement. Under the terms of the new agreement, (1) the entire assets of Forty Niner will be sold to Tucson; (2) customers of Forty Niner will become customers of Tucson's water utility; (3) a current customer of Forty Niner, Forty Niner Country Club (the "Golf Course"), will contribute One Million Forty One Thousand

1 Three Hundred Dollars (\$1,041,300) to assist in the construction of an effluent line to the Golf
2 Course; and (4) the Golf Course will purchase effluent water from Tucson beginning the time the
3 line is installed. Forty Niner now seeks approval of the sale of assets pursuant to the new
4 agreement as well as the cancellation of its CC&N. Accordingly, Forty Niner hereby files this
5 Amended Application to conform its request for relief with the terms and conditions of the new
6 agreement.

7
8 **II. AMENDED APPLICATION.**

9 The name, address and telephone number of the Applicant is:

10 Forty Niner Water Company
11 c/o IRI Golf Management L.P.
12 16236 San Dieguito Road, Suite 4-13
13 Rancho Santa Fe, California 92067
14 (858) 756-6333

15 A. The Applicant is a "C" Corporation.

16 B. The name, address and telephone number of the attorney for the applicant is:

17 Raymond S. Heyman
18 Roshka Heyman & DeWulf
19 One Arizona Center
20 400 E. Van Buren Street Suite 800
21 Phoenix, Arizona 85007
22 (602) 256-6100

23 C. The name, address and telephone number of the management contact is:

24 Debbie Pedersen
25 IRI Golf Management, L.P.
26 7413 N.E. Cape Horn Road
27 Concrete, Washington 98237
(760) 420-9661

1 D. The name, address and telephone number of the Purchaser is:

2 City of Tucson
3 C/o David Modeer, Director
4 310 West Alameda
5 Post Office Box 27210
6 Tucson, Arizona 85726-7210
7 (520) 791-2666

8 E. The name, address and telephone number of the Purchaser's representative
9 is:

10 Christopher E. Avery, Esq.
11 City of Tucson Attorney's Office
12 Post Office Box 27210
13 Tucson, Arizona 85726-7210
14 (520) 791-2666

15 F. The Purchaser is a municipality.

16
17 G. The reason for the approval of sale of assets and cancellation of certificate of
18 convenience and necessity is a negotiated sale of assets.
19

20
21 H. A copy of the Purchase and Sale Agreement between Forty Niner and
22 Tucson was filed in the docket of this proceeding and provided to the parties
23 of record on February 25, 2003, and incorporated herein by this reference.
24

25
26 I. All security depositions will be refunded prior to or at the time of closing.
27

ROSHKA HEYMAN & DEWULF, PLC
ONE ARIZONA CENTER
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PHOENIX, ARIZONA 85004
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J. There are no refunds due on Main Extension Agreements.

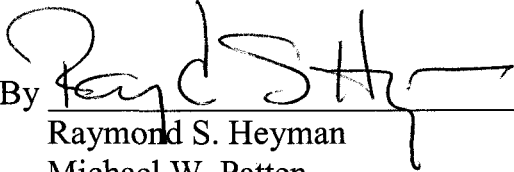
K. There are refunds due on meter and service line installations, which will be fully refunded at closing.

III. REQUEST FOR RELIEF.

Forty Niner respectfully requests that the Commission approve the sale of assets to Tucson and cancel its CC&N.

Dated this 21st day of March 2003.

ROSHKA HEYMAN & DEWULF, PLC

By 

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Attorneys for Forty Niner Water Company

1 **ORIGINAL** and **13 COPIES** filed
2 March 21, 2003, with:

3 Docket Control
4 ARIZONA CORPORATION COMMISSION
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6 Phoenix, Arizona 85007

7 **COPIES** hand-delivered
8 March 21, 2003 to:

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11 **COPIES** mailed this
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